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#### BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

COMPETITIVE PRODUCTS PRICE CHANGES RATES OF GENERAL APPLICABILITY

Docket No. CP2015-33

# RESPONSES OF THE UNITED STATES POSTAL SERVICE TO CHAIRMAN'S INFORMATION REQUEST NO. 2

(February 20, 2015)

The United States Postal Service hereby provides its responses to Chairman's Information Request No. 2, which was issued on February 18, 2015. Responses were due by February 20, 2015. Each question is reprinted verbatim and is followed by the Postal Service's response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE By its attorneys:

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#### RESPONSE OF THE UNITED STATES POSTAL SERVICE TO CHAIRMAN'S INFORMATION REQUEST NO. 2

- 1. Refer to the response to CHIR No 1, Question 4, where the Postal Service suggests a footnote for the Mail Classification Schedule (MCS) concerning the new zoned-based prices for Priority Mail International (PMI) destined to Canada (Country Price Group 1). The footnote states, in part: "The applicable sub-country group from 1.1 to 1.8 for prices destined to Canada is based on the applicable zone from the origin point to the serving International Service Center (ISC)." The Postal Service also identifies the five ISCs: New York (11430-9998), Chicago (60666-9998), Los Angeles (90009-9998), Miami (33112-9997), and San Francisco (94128-3161).
  - a. Please explain how a mailer sending PMI Retail items to Canada can determine the applicable sub-country group (1.1 to 1.8) that applies to their item.
  - b. What is the basis and delineation of the sub-country groups 1.1 to 1.8? For example, what determines the sub-country group for a particular PMI Retail item?
  - c. Assume a mailer enters a PMI Retail item weighing 2 pounds in each of the following cities: New York, Chicago, Los Angeles, Miami, and San Francisco. Please provide the applicable sub-country group (1.1 to 1.8), identify the ISC that will dispatch the item to Canada, and the price to be paid by the mailer for the PMI Retail item.
  - d. Assume a mailer enters a PMI Retail item weighing 2 pounds in each of the following cities: Boston, Washington DC, St. Louis, Denver, Phoenix, and Seattle. Please provide the applicable sub-country group (1.1 to 1.8), identify the ISC that will dispatch the item to Canada, and the price to be paid by the mailer for the PMI Retail item.
  - e. For clarity, the Commission proposes the following column headings for the price tables, Priority Mail International Parcels Retail Prices, Priority Mail International Parcels Commercial Base Prices, and Priority Mail International Parcels Commercial Plus Prices. Please confirm that the column headings below accurately represent the product offering. If not confirmed, please provide an alternative and explain.

Maximum	Country Price						
Weight (Pounds)							
(Fourius)	Origin	Origin	Origin	Origin	Origin	Origin	Origin
	Zone	Zone	Zone	Zone	Zone	Zone	Zone
	1&2	3	4	5	6	7	8
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)

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#### **RESPONSE:**

- a. The mailer would determine the applicable sub-country group (1.1-1.8) for an item by presenting it to a retail associate at a local post office. The associate would enter the ZIP Code of the post office into the retail system and the weight of the item. The system would then identify the applicable sub-country group and corresponding price for the item. Alternatively, the mailer can determine the applicable sub-country group for any ZIP Code by obtaining the PMI Rate Group lookup table from the National Customer Support Center.
- b. The sub-country groups are based on the distance from the origin ZIP Code to the serving International Service Center (ISC). The same distance parameters used to establish zones for domestic products are used. Zone delineations are shown in the following table.

Distance from the origin ZIP Code to the serving International Service Center (ISC)	Sub-Country Group
Less than 51 miles	1.1
Greater than or equal to 51 miles, but less than 151 miles	1.2
Greater than or equal to 151 miles, but less than 301 miles	1.3
Greater than or equal to 301 miles, but less than 601 miles	1.4
Greater than or equal to 601 miles, but less than 1001 miles	1.5
Greater than or equal to 1001 miles, but less than 1401 miles	1.6
Greater than or equal to 1401 miles, but less than 1801 miles	1.7
Greater than or equal to 1801 miles	1.8

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City	<b>Sub-Country Group</b>	Serving ISC	Price
New York	1.1	JFK	\$33.20
Chicago	1.1	ORD	\$33.20
Los Angeles	1.1	LAX	\$33.20
Miami	1.1	MIA	\$33.20
San Francisco	1.1	SFO	\$33.20

d.

City	<b>Sub-Country Group</b>	Serving ISC	Price
Boston	1.3	JFK	\$34.30
Washington DC	1.3	JFK	\$34.30
St. Louis	1.3	ORD	\$34.30
Denver	1.5	SFO	\$38.70
Phoenix	1.4	LAX	\$36.75
Seattle	1.5	SFO	\$38.70

- e. The column headings that the Commission proposes accurately represent the product offering, but do not adequately incorporate the information included in the footnote proposed by the Postal Service in its response to CHIR No 1, Question 4(a) in this docket. The Postal Service would prefer that
  - the footnote proposed by the Postal Service in its response to CHIR
     No. 1, Question 4(a) and
  - the column headings for PMI destined to Canada originally proposed by the Postal Service in its initial notice in this docket be included in the MCS.